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SUBJECT: IRAN; IMF ANNUAL MEETING; US-BOLIVIAN TIES;

BOLIVIAN-VENEZUELAN ALLIANCE; ARGENTINE-VENEZUELAN TIES; ARGENTINE

PRESIDENT KIRCHNER AND FIRST LADY IN NEW YORK; 09/20/06

## 11. SUMMARY STATEMENT

Today's leading international stories include the exchange of accusations between the US and Iran at the UN General Assembly; the IMF Annual Meeting; Bolivian President Evo Morales rejecting a US report on the outcome of the struggle against drug trafficking; Morales' acknowledgement that Venezuela will build two military bases in Bolivia; Argentina's ties with Venezuela; Argentine President Kirchner and his wife's visit to New York; and Thailand's military coup d'etat against PM Shinawatra.

## ¶2. OPINION PIECES

- "Exchange of Accusations between Iran and the US at the UN"

Leonardo Mindez, on special assignment in Washington for leading "Clarin," writes (09/19) "The two of them were in the same building but they avoided meeting face to face. Even so, US President George 1W. Bush and Iranian President Mahmoud Ahmadinejad conveyed clear public messages to continue feeding the mounting tension between their two administrations. The US President reiterated at the UN General Assembly that 'Iran should relinquish its nuclear ambitions.' The Iranian president responded 'all our nuclear activity is transparent and peaceful.'

"During his 21-minute morning speech, Bush made it clear that he has no doubts that Iran wants to develop nuclear weapons, he insisted on a diplomatic suspension of Iran's (nuclear) program, and asserted that he 'does not have any objection to Iran pursuing a real nuclear program with peaceful purposes.' Although 20 days have passed since the UN deadline for the ultimatum imposed on Iran to stop its nuclear program, the truth is that the US has not obtained (and it is not likely to obtain soon) the support of the other permanent members of the UN Security Council to impose sanctions on the Tehran government."

## - "Rhetoric"

Marcelo Cantelmi, international editor of leading "Clarin," opines (09/20) "Ever since the US launched its antiterrorist war, the scenario has not revealed expected medals of victory.

"The US won in Afghanistan through its initial assault, but it lost ground as time went by. It easily triumphed in Iraq, although its troops are now 'splashing in a swamp' only waiting for the moment to leave. Among other serious regional shortfalls, the diplomacy that accompanied said venture did not build the necessary bridges (like the dialogue with Syria) and paved the way for an expansion to Iran.

"Tehran's fundamentalist government has taken advantage of all this background. Confronting the US has facilitated things for Iran, which seems immune to the war rhetoric that it faces."

- "Evo rejects US 'interference' on drugs"

Business-financial "El Cronista" reports (09/20) "Bolivian President Evo Morales harshly rejected yesterday the US report on the outcome of the struggle against drug trafficking and he expressed his 'concern' about Washington's 'interference' in the Andean country.

"... The Bolivian president defended the policy of gradual reduction (not eradication, as wanted by Washington) of coca crops, and he said the Bush administration should acknowledge this effort.

"The new clash happened now that the Commander of the US Southern Army, General Ken Keen, is in Bolivia."

- "Regional concern over Evo-Chavez alliance"

Business-financial, center-right "InfoBae" reports (09/20) "Bolivian President Evo Morales acknowledged yesterday in the US that Venezuela will build two military bases in his country. The decision has engendered surprise and concern in the rest of the hemisphere.

"... The decision has unleashed concern all over the hemisphere due to fears of an arms race in the region..., particularly bearing in mind the permanent threat posed by the Triple Border...

"While the US closely watches this area, Evo Morales is attempting to challenge the military balance in the hemisphere."

- "Chavez concerns the Jewish community more than anti-Semitic episodes"

Eduardo van der Kooy, political columnist of leading "Clarin," comments (09/20) "... The Jewish community's concern about anti-Semitic episodes is true, but its main concern is Kirchner's relationship with Hugo Chavez and Chavez' close ties with the Tehran government...

- "... The international Jewish community is concerned about one of the vital aspects of Kirchner's foreign policy his ties with Caracas... Kirchner's ties with Chavez have been fruitful for the President in terms of financing and they helped alleviate the energy crisis. However, it has some costs now."
- "Energy US corporations call for clearer rules for investment"

Business-financial "El Cronista" front-pages (09/20) "In New York, Argentine Minister Julio De Vido made a new effort to demonstrate in front of an audience of investors (particularly from the energy sector) that Argentina is a country offering attractive conditions to those who dare invest in a sector with an increasing demand and serious supply problems.

"While he asserted that the new initiatives will be profitable in the medium term, businessmen told him that a framework of clearer rules regarding public service rates is badly needed.

"Local businessmen in Buenos Aires fear that the frozen public service rates could spark a new convertibility system, from which the Government will not be able to get away."

- "Kirchner did not want to attend Bush's reception"

Martin Rodriguez Yebra, on special assignment in New York for daily-of-record "La Nacion," comments (09/20) "For the first time in four years, Argentine President Nestor Kirchner decided to miss the reception offered by President George W. Bush to the heads of State attending the UN General Assembly ceremony.

"Both presidents have not held talks ever since the Mar del Plata Summit of the Americas.

"Since then, the US-Argentine bilateral relationship has been

frozen, according to Kirchner - who is particularly encouraged to say this based on his disagreement about hemispheric trade integration.

"Kirchner did listen to Bush's speech to the UN General Assembly plenary, in which he only spoke about terrorism and made warnings to the countries of the Middle East that are being hostile to the US.

"On the contrary, according to a source in the Argentine delegation, the Argentine President will plead in his speech today for multilateralism in counterbalance to hegemonic and unilateral initiatives."

- "'Argentina made progress because it did not adopt a neo-liberal model'"

Conservative "La Prensa" reports (09/20) "Senator Cristina Fernandez stated that Argentina was able to make progress because it chose a growth model that differed from the neo-liberal model, and it is even opposed to the neo-liberal prescriptions that led us to chaos.'

"The legislator participated in a panel on Expectations about Latin America at the New School University of New York. Cristina Fernandez pointed out that the Argentina of 2003 'has little to do with today's Argentina' and she said that 'while it may not be a paradise, figures indicate that we are on a good track.'

"In this regard, she said that, according to the National Institute for Statistics, poverty has gone down 30%. She pointed out that the country 'has reasonable autonomy in making decisions after having paid off its IMF debt, as did Brazil.'"

## 13. EDITORIALS

- "IMF critical reforms"

Conservative "La Prensa" editorializes (09/19) "The IMF announced reforms had raised expectations in emerging countries with regards to a better distribution of duties within the institution, therefore allowing for the participation of growing economies like Argentina's.

"Nonetheless, the announcements mde in the Singapore meeting revealed that there is a strong tendency to concentrating

decision-making power on the most powerful countries, which could increase the likelihood of discrimination in granting international loans.

"... If efforts are not made to take into account the interests of the most vulnerable sectors of the new international financial system, they will remain the most harmed sectors as a result of the policies implemented by multinational lending agencies in handling global crises.

"Implementing more equitable development processes for Latin American countries is a challenge calling for adequate public policies based on information that makes patent social and regional inequality."

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